

school in Worden, MT, was on fire—an act of arson. Despite the valiant efforts by crews from the Worden, Shepherd, Lockwood, and Billings fire departments, the school burned to the ground.

Although sad and angry about the fire, teachers, parents, students, and the whole community rallied to support the student body. As the Billings Gazette reported at the time:

Huntley Project High was still burning when people in the tight-knit community vowed that the loss wouldn't affect their spirits.

Montana's Superintendent of Schools, Linda McCulloch, put out a request statewide for schools and businesses to donate school supplies and books and backpacks and computers. Montana's business community and citizens opened their hearts and their wallets, even in this tough economic time, to help these students.

Billings School Superintendent Jack Cops arranged for classes to continue in the Billings school district at Skyview High School and at other facilities to help them get through the first days after the fire. Later, temporary trailers were brought to the Huntley campus to help during the rebuilding process. The 230 Huntley High School students soldiered on in the spirit of their homecoming theme—that being warriors. They simply refused to give up. I met with Superintendent Dave Mahon last month and toured the burned campus.

The Huntley Project Red Devils have long been a power in Class B football. After the fire, the whole community rallied to cheer the team that symbolized Huntley's toughness in the face of an unbelievable challenge. The principal said it well: "We're red and black and we're back," as Huntley beat the Townsend Bulldogs in their first game after the fire. There would be many more victories as the team finished a perfect season with a record of 12-0. Last month, Huntley beat the powerful team from Fairfield 41 to 28 to win the Class B State championship in football as players from both teams played their guts out and left it all out on the field. It was the first State championship for the project since 1998.

I wish to congratulate head coach Jay Santy, as well as assistant coaches Rick Dees, Mark Wandle, and Lenny Brown, all of the players and their parents, their teachers and friends and supporters throughout the Huntley community.

America faces some tough challenges today. Last month, more than a half a million American workers lost their jobs. Many parts of the country are suffering from the foreclosure crisis in the housing market and the domestic automobile industry teeters on the brink of collapse. As we work here to tackle those tough challenges, I suggest we follow the example of perseverance of these tough young Montanans. I suggest we lace up our cleats, strap on our helmets, and go out and get the job done.

As we approach the Christmas season, I urge the Senate to look at Huntley Project school and the greater community and look to the future with hope and grit.

Mr. BAUCUS. Mr. President, today I rise in tribute to the spirit of recovery for the Huntley Project High School which was destroyed in an early morning fire on Thursday, September 18. The bottomless community spirit and immediate outpouring of support from around Montana has enabled this school, its faculty and staff, 230 students, their parents and supporters to put their energies and efforts into opening its doors. Through the extraordinary leadership of school superintendent Dave Mahon and principal Tynie Mader, students gathered in the junior high auditorium at 8:15 a.m. on Monday, September 22, to receive school supplies and restart the school year in the wake of the fire. Classes are being held in trailers located on the practice field west of the burned high school.

The weekend following the fire, families and members of the community came together to clean up temporary classrooms for use, donate funds to replenish music and sports equipment, books and computers lost in the fire. Donations have come in from communities across Montana the Malta School District sent \$500 to help, having experienced a devastating fire in 1995. The school has received bandstands from Absarokee schools, cleats from a major sports corporation, backpacks from Billings elementary schools, donations from the local banks and area businesses and offers from as far away as North Carolina.

The students have taken it upon themselves to shoulder part of the burden. They have applied to the television show "Extreme Makeover" to get their school rebuilt. They have been an integral part of sorting, carrying and cleaning school equipment. And their academic and extracurricular activities are getting an extra dose of school spirit these days.

The school and community rallied around the athletic teams at Huntley Project following the devastating fire. This burst of school spirit helped propel the Huntley Project Red Devils to the Montana Class B State championship in football on November 22. Huntley Project defeated Fairfield High 41-28. The victory in the State title game on the Red Devils home field capped off a perfect season for coach Jay Santy and his players. A sign on the fence encircling the field said "Devils risen up with the flames." Indeed this statement is true of all in the Huntley Project community. The Red Devils girls volleyball team also rose to the occasion to excel this season. After being displaced from their gym due to the fire, the team was forced to practice and play all their games away from home. Despite this added challenge the squad led by coach Iona Stookey placed third at the State class

B volleyball tournament. I would like to congratulate these fine student athletes, their coaches and teachers, and all in the Huntley Project community not only for their achievements on the playing field but also for coming together to support each other and working to rebuild the school.

Much has been done. More will need to be done. But we are Montanans, and we have that frontier spirit and grit that pulls a community together without question and without hesitation in times of need. In the meantime, we are all pulling for the Huntley Project Red Devils until their school is rebuilt.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. STABENOW. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. STABENOW. Mr. President, I ask unanimous consent to speak in morning business and to use as much time as I may consume.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN AUTOMOBILE INDUSTRY

Ms. STABENOW. Mr. President, obviously we have been in negotiations with a tremendous amount of work going on around the question of the American auto industry and the position they find themselves in as a result of, first of all and foremost, a global credit crisis. So I stand here today on behalf of hundreds of thousands of incredibly smart, productive, working men and women in Michigan and the millions of others around the country who design, build, service, finance, and sell American-made automobiles and have done so now for over a generation—the people who not only build the parts that are given to the auto industry but to the vehicles that our brave men and women drive right now in Iraq and around the globe, those who have built America and the American middle class, those who advertise and market and are engaged in so many different ways in the foundation of American manufacturing, which is the American auto industry.

I also wish to speak on behalf of Americans today who have benefited from a great American middle class, built on the notion that we don't just move paper around on Wall Street, we actually make things and we grow things. I know the distinguished occupant of the chair, from Pennsylvania, understands that, coming from a great State that makes things, grows things, adds value to it, people who work hard every day. The shower they may take is after work rather than before work, but they are just as valuable—and, I argue, maybe more valuable—in terms

of creating economic vitality and strength of an American middle class. That is why every other country in the world looks to us and is rushing to support their auto industry and manufacturing, to create what we have had in America as a result of hard-working men and women in the auto industry and other parts of manufacturing. So that is really why we are here.

I thank our leader for his incredible diligence and patience. Senator REID understands the importance of this issue. He understands what is at stake in terms of 3 million Americans and their jobs and the broader impact on the economy. I thank him for his incredible leadership.

I thank the Speaker of the House for coming forward and being willing to negotiate and be a part of the solution and for the great leadership she is now providing and will be providing in the House.

I also thank our chairman, CHRIS DODD, who has had, as chairman of the Banking Committee, so many things he has had to confront, from the housing crisis, where he was way ahead in calling for action that we now know should have been done back when he called for it to be done, as well as his willingness to work with us now on the other piece for Americans. Most Americans invest in a home, and they hope they will have equity that will help them in retiring or taking care of their children's college education or will be there in an emergency. The next thing they buy is their automobile to get them to work, to get the kids to school, to go on vacation, to be able to enjoy the American dream. I thank Chairman DODD because he has had crises in both of these incredibly important industries to our economy and to American families placed at his doorstep. He and his staff have done an amazing job.

I also say that for Chairman BARNEY FRANK, for the same efforts and willingness to focus on people on Main Street—the majority of Americans—not just on Wall Street. That is what this is really all about.

I thank the Republican colleagues who have been and will continue to be involved. Senator MCCONNELL has been working and raising legitimate issues relating to accountability, transparency, things that are resolved, I believe, in this work that will be coming before us. I thank the White House for working with us in good faith, and Senator VOINOVICH and Senator KIT BOND—all of those who care deeply and have come together in what is a bipartisan bill that is in front of us.

Mr. President, how did we get here? There are a lot of scenarios. I understand people who are mad at the industry for making the Hummer and are mad at decisions made 10, 15, 20 years ago, and some think workers get paid too much. I don't agree with them. All kinds of perspectives have come together to make this a difficult issue to deal with.

What is lost, unfortunately, in all this is the real story of today's auto in-

dustry. This is not your father's factory. These are people producing the marquee vehicles in quality, competing, winning awards, and are highly productive. They are the envy of the world in productivity. These are companies that have turned the corner and are rushing to the fuel efficiency vehicles. We could argue that it is not fast enough. I argue it is not fast enough. The early decisions should have been different, but they now find themselves in a situation where they are doing exactly what we want them to do. We have passed a 40-percent increase in fuel efficiency standards. We put in place in the fall funding for a provision, which I was proud to champion, in the Energy bill to help keep the jobs here in America, poised to take major costs off of the industry by the United Auto Workers stepping up and being willing to take the risk on retiree health care, to move it off of the employer, and a major focus on a year from now when the new vehicles will be coming out and retooling is happening. Everything is moving just as we would want it to be.

And then a global credit crisis. We know about that because of the major debate and what we were asked to do by this administration, to step up in an unprecedented way to be able to address this crisis. Unfortunately, money that was given to the banks has not been lent. I have suppliers that I have met who are not able to get the financing they need. We know dollars given to Wall Street have not made their way to the financing arms of the auto industry, to people needing the loans, to auto dealers, and so on. We also know in a global credit crisis that this is not just in America. All around the world now, we are in a situation where there is the perfect storm that is occurring. So we look at a result of the tight credit crisis and low consumer confidence right now and the concern, frankly, we start seeing that someone may go bankrupt and people hold back on buying a car. So the whole debate we are having is actually making it worse, unfortunately, even though we have to have a debate.

In November, auto sales dropped more than 30 percent—can you imagine any business that sees a 30-percent drop from a year ago—the worst month in 25 years for the second straight month. This is not just the domestic automakers. Yes, GM sales dropped 41 percent; Chrysler, 47; Ford, 31. Toyota dropped 34 percent, the folks they are always compared to, as somehow they are magically more efficient, which is not true. Toyota dropped 44 percent; Honda, 32 percent. The reality is, this is a global credit crisis.

We have a severe global credit crisis, consumers unwilling or unable because they have lost their job—they are cutting back—to purchase a vehicle, and it has hit capital-intensive companies the hardest. We can talk to those who make washing machines or refrigerators or furniture and so on. These

are capital-intensive companies. Here we go, we can say, we shouldn't make anything anymore. Instead of worrying about foreign oil, let's worry about foreign tanks. See how many folks want to give us a tank in the war. Let's worry about foreign furniture, refrigerators, batteries. We are America, the greatest country in the world. We don't need to make anything. We can trade credit swaps. Obviously, that makes no sense. This is about where we go as a country in terms of our basic industries.

Automakers in Great Britain, China, Japan, Brazil, and the European Union have all asked for help and are getting it, by the way. They are receiving it. French President Sarkozy has introduced a \$25 billion strategic investment fund because they understand they want an automobile industry in France and how important it is to their economy, and they want to compete with us. The European Investment Bank is considering \$51 billion in loans. China has done the same kind of thing for Chery Automobile. Brazil has stepped up. Australia has stepped up. You can go right around the globe. It seems that everybody, but some here understand this is more than just penalizing a company you are mad at. This is about the underpinnings of our economy and fundamentally whether we are going to compete with every other country and make things in an advanced manufacturing economy that we are in right now.

Everyone understands we are in a race. Everybody else is racing, giving hundreds of millions of dollars to their companies, government funding for innovation. We don't do that. We put it on the backs of the companies. Every other country funds health care differently. Their companies don't have to have health care costs. Our companies pay for it.

We can go right across the board when we talk about parity, how we need to get parity. I am all for parity, if we look at the full picture. Parity includes saying to South Korea that sold over 700,000 vehicles to us last year: You have to let more than 6,300 American cars into your country. We did have a big discussion about parity. I welcome it. I have stood on this floor more times than I can count to talk about parity. But that is not what this is about. This is about a global credit crisis.

The question is: Does it matter if we have an American auto industry? Is it important to make cars in America, trucks in America, tanks, the Stryker? Is it important to make airplanes? Or as long as we can buy them it doesn't matter? I hope the answer is, yes, we need in America a manufacturing base, an auto industry.

One out of 10 jobs in this country is auto related—1 out of 10. In the middle of the biggest recession since the Great Depression, can we afford to say: 1 out of 10, it doesn't matter. I certainly hope not.

Our country lost 533,000 jobs just in November, bringing our unemployment rate nationally to 6.7 percent, which, by the way, we in Michigan would take that 6.7 percent and I bet you would too. We are in the heart of where this global economic crisis has hit.

The domestic auto companies provide health care and pensions to over a million retirees and their families which, by the way, if anybody goes bankrupt, open your checkbook because the Federal Government is going to take over those payments.

When we talk about what happens if only one of these companies goes bankrupt and the cost to the taxpayers, it will make the numbers we are asking for in a loan look like pennies, look like nothing. That is the reality of where we are.

Motor vehicle parts suppliers provide over 780,000 direct employment jobs, contributing 4.5 million private industry jobs and 5.5 percent of all manufacturing jobs. When we stop and think about it, there is more computer power in our automobiles than anything else we own. When we talk about Silicon Valley, their customers are automation alley—Michigan. Think about what is in your automobile—the computer power, the radios, the leather, and the cloth for the seats, the tires, the glass. I can go on and on. It is all connected.

In fact, the U.S. military relies, for instance, on Chrysler Cummins B series engine, which is commonly known as the Dodge Ram, for uses as both propulsion and electric generator power. This is one example of a production line that has to be kept open for our national security. Let me give other examples for the military.

Even for my colleagues who don't care about the domestic auto industry but care very much about defense and national security and what is happening to our brave men and women around the world, ArvinMeritor, a major supplier to all three automakers, has been a major supplier of axles to the Army for its 2½ and 5-ton vehicles for over 50 years. Axles—it makes sense—tank axles, truck axles. It makes sense. Do you think their major auto customer can go bankrupt and not pay them and have them continue to do business in this economy. Highly unlikely.

Goodyear Tire, GM's second largest tire supplier, has supplied tires for the U.S. military for over 100 years.

Navis, a key supplier of engine technology to Ford, produces a variety of widely deployed military trucks and light vehicles, including the MRAP. Where have we heard about the MRAP? A key supplier of Ford supplies the MRAP, the Mine Resistant Ambush Protected Vehicle, the deployment of which was, by all accounts, pivotal in the Iraq campaign. Ford supplied technology—the joint light tactical vehicle and the future tactical truck system.

Dana Corporation is a leading supplier of highly specialized axles to both

the American auto industry and the military.

I could go on and on.

The point is, you don't shut down one piece of this and not have it affect everything else. This is a case of dominos going right across the country to every single person's State.

The failure of our industry would have debilitating ramifications for our entire industrial base and undermine our ability to respond to current and future military challenges.

As I indicated, other countries understand and have been investing huge amounts of money to get ahead of us in a number of areas, including the battery technology we all want in America for that next generation of hybrid vehicle, that electric vehicle about which we are all talking.

Germany has announced the Great Battery Alliance which will invest \$160 million in advanced lithium-ion batteries.

South Korea will spend \$700 million; China also. India has developed an automotive mission plan. We don't even have a manufacturing strategy today for America. Our strategy is: Hey, they can't make it on their own, we will go buy it somewhere else. That is just batteries. That is not all the other pieces.

We could go into health care and what is happening in trade and what has happened.

I have heard colleagues—and I am sure we are going to hear it again—say: Just let them go into bankruptcy. They will reorganize, restructure, come out a stronger company, and go forward. Unfortunately, in the automobile industry, it is not the same as a bankrupt airline. I flew on an airline in bankruptcy. You buy a ticket, you take one flight. That is it. That is different. This is the second most important purchase a family makes. You want to look at whether parts will be available, will they be able to meet their warranties. It is a whole different situation in automobiles.

The Center for Automotive Research, in looking at this very closely, found that if one or more of the top three automotive companies files for bankruptcy, we can expect about 2.5 million lost jobs, direct job losses, as well as a number of other industries about which I talked.

How tragic and, I say, outrageous, at a time when we have a wonderful visionary new President coming in, carrying all the hopes and dreams of all of us, talking about creating 2.5 million jobs next year, to have all that wiped out by our inability to come together and address this situation this week. I am optimistic we will come together and do that. It would certainly be a blow to the hopes and dreams of the American public of creating new jobs for next year and beyond.

I talked about the fact that suppliers would be affected. I have had very specific conversations with those who indicated very specifically the compa-

nies—and I will not name them, but if we saw a company go into bankruptcy now, the suppliers that would immediately begin to follow suit, suppliers that supply the Department of Defense, aerospace, other parts of the economy.

We are seeing that suppliers, particularly with all the talk of bankruptcy now, find themselves in a situation where matters are even worse, of banks not being willing to give loans. The questions in the hearings I would like to have of the folks who have already gotten taxpayer money is where are they in trying to be a part of the solution right now, people who have not had to go through what this industry has had to go through.

I certainly welcome accountability and transparency. It would be nice if it was on everybody getting Federal money. But the reality is we have suppliers that cannot get their upfront funding. They are now having to turn to the automakers to ask for prepayment, where in the past they waited until the product was shipped and then they would have 120 days or longer to make the payment. From a cash-flow standpoint, suppliers are saying: We need the money upfront, which makes the situation even worse.

This is a complicated situation which is, in fact, only going to be made worse if we cannot provide a short-term bridge loan.

Let me also say, as I wrap up, I mentioned before about taxpayer funding, the billions of dollars in liability we will assume in pensions, health care, unemployment costs, Medicare and Medicaid, and the lost taxpayer dollars. Bankruptcy would result in the reduction of personal income of \$276 billion—much more than \$15 billion in a bridge loan we are talking about—which would lead to a total Government loss of \$108 billion over 3 years, not to mention States borrowing.

The reality is this bill, I believe, is a fair and reasonable compromise that reflects the global credit crisis that allows a short-term bridge loan until the end of the first quarter but then sets up rigorous oversight and transparency with requirements to come to the table to make the changes that are being talked about by colleagues, legitimate issues that have been raised about the need to restructure, deal with lower capacity, and continue to deal with costs on all sides. That structure is being put in place to do just that. The overseer, or the person now being dubbed the "car czar," can actually recommend that the dollars not continue during that time period if they are not making progress on all of the areas that have been put together in terms of criteria. And no additional dollars would be given unless people were satisfied by March 31 that in fact there was long-term viability, that restructuring had been done. This gives us an opportunity to have the restructuring that is needed to create or to sustain an American automotive industry and American manufacturing in this country. It makes sense.

A lot of tough negotiations have gone on. This is a tough bill on accountability, it is tough on oversight. It is much tougher than anything that anyone on Wall Street has been asked to do, that is for sure. At the same time, it recognizes that we are in a global credit crisis and that the ability for them to borrow—to get a loan for a short period of time—is essential if we are going to have American manufacturing.

Mr. President, I hope we are going to come together. I know the House intends to vote, and we will be coming together to vote on this issue. I hope we will see a resoundingly bipartisan “yes” for a commitment to the middle class of this country to advance manufacturing for the future and that we will make sure people’s feet are kept to the fire, that the right things are done, but that we will not give up on the middle class of this country. We are not going to give up on 2½ to 3 million people who are watching everything we are doing now to determine whether they have a future for their families that will give them a living wage and allow them to continue to be a part of this great American dream. I hope we are going to come together. I am optimistic that we will come together in the next couple of days and say yes and allow a whole lot of people to have a holiday season, a Christmas, that will allow them to know they have a future.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak for 20 minutes in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ECONOMY

Mr. DORGAN. Mr. President, all of us in this country are nervous and very worried about the American economy. This is an economic engine that has been the wonder of the world. It has provided so much good for so many people, expanding opportunities for jobs and careers, and for people to own homes. This is an extraordinary place, this place called the United States. We have been through tough times and good times, and this turns out to be one of those pretty difficult times for our economy. This ship of state has sort of stopped in the water, the engine isn’t working very well, and we have a lot of trouble.

Since the first of this year, nearly 2 million people have lost their jobs. That sounds like just a statistic, but in a home where one spouse had to tell the other that they had lost their job,

that is a disaster. So almost 2 million people have lost their jobs, and the question is, How many more will lose their jobs before we find a way to provide a foundation for building this economy back to an economy of strength and opportunity once again?

We are discussing here in the Senate and in the Congress a proposed \$15 billion bridge loan for the automobile industry. My colleagues have been speaking about that, and there are a lot of jobs at stake, so there is a lot of passion on both sides of this issue. It appears to me that there are somewhere around 3 to 4 million jobs at stake with the automobile industry. I think the question is, at this precarious moment, teetering on the edge of a cliff with this economy, what would it mean if somehow we decide whatever happens will happen and we will let it happen, watch it happen, but we won’t take action? What would it mean if a couple of million American people lost their jobs on top of what we have just seen? So I don’t think the prospect is for us to sit around and be observers. We have to be active. We have to be involved, and we have to try to find ways to provide confidence that there will be an economic recovery.

Now, I am concerned about this recession, which is very deep. It is devastating to American families who have lost a substantial part of their assets and their 401(k)s and their retirement accounts. It is devastating to those who have lost their jobs. But I am concerned about something else as well: I am concerned about a government and a constitution that somehow seems to have invented a completely separate approach to governing. And let me describe what I mean. I am perfectly understanding of those that need to take and want to take emergency action to try to provide opportunities for the recovery of this economy. I understand that. I have studied economics. I taught economics briefly. I understand, having studied what happened in the Great Depression, the need to take aggressive action. But no one, in my judgment, has ever suggested that the need to take aggressive action should somehow obliterate the requirement for oversight and for accountability. But that is exactly what I think is happening today with an extraordinary kind of government outside of the regular process that we understand government to adopt based on our Constitution.

Let me describe what I mean and my concern about it. As I look at what has happened with bailout funds, rescue funds, all kinds of emergency actions, there is about \$8.5 trillion in taxpayer funds that has now been put at risk. I am not talking billions, I am not talking about millions or thousands, I am talking about \$8.5 trillion of taxpayer funds that appears to me to have been placed at risk. In almost all cases, this was done without the consent of the Congress, outside of any vote that occurred here in the Congress.

Now, I am not suggesting that the emergency powers, for example, at the Federal Reserve Board that Chairman Bernanke is using—should not have been a significant part of this effort to try to create emergency measures to address the economic trouble we face. I am not suggesting that at all. What I am saying is this: We have people huddled in rooms around here for days and days and days talking about what kinds of conditions should you put on the proposal of \$15 billion that would be a bridge loan for the automobile industry, what kinds of tough conditions should they be, spell them out, make sure they are there. Well, guess what. With almost all of the Wall Street bailout money, there are no conditions, no real accountability that I am aware of.

Nobody was sitting in a room saying: You know what, let’s establish tough conditions when we open the Fed’s window for the first time in history for the investment banks to come and get direct lending from the Federal Reserve Board. I didn’t see any conditions attached to that. You go down the list of things, and the Federal Reserve programs are \$5.55 trillion.

Now, I am not suggesting the taxpayers are going to lose that money. They will perhaps lose some of it for sure, but some of it represents mortgages that likely will be good in the long term. The guarantee of certain kinds of mortgage securities, the funding for certain investment bank operations—you know I am not suggesting all of this is going to be lost, but clearly some will be lost. The taxpayers are at risk. Did anyone talk about what kinds of conditions should exist for that?

As I said, for a week now there have been people huddling about what are the strict and strong conditions you can attach to this \$15 billion. I am in favor of strict and strong conditions to the things we do to move money into these circumstances. I am in favor of that. But why is it just here? Why not the \$5.5 trillion? The FDIC program, \$1.5 trillion, the Treasury Department, \$1.1 trillion, \$700 billion of which is called the Troubled Asset Relief Program—that, by the way, is a misnomer. That is what the Secretary of the Treasury asked for. He asked for \$700 billion to buy troubled assets from financial firms. The Congress gave him the \$700 billion. I did not vote for that, but the Congress gave him \$700 billion, and very quickly he said: Well, that is not what I meant. I have changed my mind. We are not going to buy troubled assets, we are going to invest in capital in banks. So he promptly put \$125 billion into nine banks—some of which apparently didn’t want it—in order to, as the Treasury Secretary said, expand lending because the credit markets were frozen.

Well, guess what. That \$125 billion called troubled asset relief money was put into banks instead as capital investments with no requirement at all that they expand lending. The purpose